

**SOUTH CAROLINA STATE DEPARTMENT OF EDUCATION
FOOD DISTRIBUTION AGREEMENT (2003 Revision)**

**AGREEMENT BETWEEN DISTRIBUTING AGENCY AND RECIPIENT AGENCY FOR COMMODITIES
DONATED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE**

The Recipient Agency named below hereby makes application for commodities donated by the United States Department of Agriculture to the Distributing Agency named below:

The Recipient Agency hereby agrees to the following terms and conditions:

1. Commodities will be distributed only in quantities that can and will be equitably distributed, properly stored, and fully utilized by eligible school(s) as listed on the Application for Participation.
2. Commodities received under this agreement will be distributed only to eligible schools served by the Recipient Agency, and will not be otherwise disposed of without prior written approval of the Distributing Agency. Under no circumstances will the United States Department of Agriculture commodities be sold or traded. In case a school has a surplus of any commodity, the Recipient Agency may transfer such surplus to another school under its supervision where the commodity can and will be utilized. Transfer documentation will be maintained by the Recipient Agency. Transfers between Recipient Agencies must be authorized, approved and documented by the Distributing Agency.
3. Facilities for the handling, storage, and distribution of commodities shall be such as to properly safeguard against theft, spoilage, and other loss.
4. Recipient Agencies will pay Commercial Distributors, under contract with the Distributing Agency, a fee to cover receiving, storage and delivery of USDA donated foods and processed end products.
5. Accurate records pertaining to the receipt and use of commodities will be kept for a period of three years and reports furnished to the Distributing Agency as required. As a minimum, these records will consist of:
 - (a) a record of all commodities received, issued, or transferred including date and quantity;
 - (b) an accounting of funds received from the sale of containers; and,
 - (c) an accounting of other funds collected in connection with the handling and distribution of commodities. Representatives of the Distributing Agency and the United States Department of Agriculture are authorized to inspect and audit such books and records at any reasonable time to insure compliance with the above conditions.
6. If the Recipient Agency improperly distributes or uses any donated commodity, or causes loss of or damage to a donated commodity through its failure to provide proper storage, care, or handling, it shall pay to the Distributing Agency a sum equal to the value of the lost commodities. For all Recipient Agencies that have not implemented the Single Inventory Record Keeping System the following applies: the Recipient Agency agrees to report to the Distributing Agency all donated food losses valued at \$100.00 or more. At its option, the Distributing Agency may permit the Recipient Agency to replace the commodity. Upon the happening of any event creating a claim in favor of the Recipient Agency against a warehouseman, carrier or other person, for the loss of, or damage to, a donated commodity, the Recipient Agency shall take action necessary to obtain restitution.

Funds accruing from the sale of containers, salvage of donated foods, distribution charges, insurance, or recoveries from loss or damaged claims shall be used only for payment of expenses of the Commodity Distribution Program, including transportation, storage, and handling of commodities, and other administrative expenses. If excess funds accumulate, such funds shall be used to reduce distribution charges, to purchase additional foods or paid to the Distributing Agency.

7. Recipient Agencies shall investigate promptly complaints received in connection with the use of commodities and shall notify the Distributing Agency immediately of any complaint received. Additionally, all complaints concerning commodities should be reported to the USDA Commodity Complaint Hotline 1-800-446-6991 or e-mail USDA-FNS-CommodityComplaints@FNS.USDA.GOV. The following information should be obtained (description of the problem, markings and numbers on the cases, delivery order number, location of product, and number of cases in inventory) before calling.
8. Either agency may terminate this agreement by giving (30) days notice in writing with cause to the other party. The Distributing Agency may cancel this agreement immediately upon receipt of evidence that the terms and conditions thereof have not been fully complied with. Subject to such notice of termination or cancellation of the agreement, the Recipient Agency agrees to comply with the instructions of the Distributing Agency either (a) to distribute all remaining inventories of United States Department of Agriculture commodities in accordance with the provisions of this agreement or (b) to return such inventories to the Distributing Agency, and to transmit such reports as are required by the Distributing Agency to record final disposition of such inventories.

(Name of Recipient Agency)

(Address of Recipient Agency)

(Signature of Authorized Representative)

(Title)

(Date)

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APPROVED BY:

Education Associate, Food Distribution Section
S. C. State Department of Education, Office of Food Services and Nutrition

Date